

*General effect:* These representational restrictions do not preclude you from being involved as a researcher or educator with proposals submitted to the Government or projects supported by the Government. They do preclude you from negotiating with NSF officials or other Federal officials and from engaging in other representational activities intended to influence their decisions on certain proposals and projects. They do not preclude you from representing yourself before the Government on personal matters, such as audits of your individual tax returns or personnel decisions that affect you.

(d) *Financial disclosure.* (§§ 683.10 through 683.12)

(1) If you are an executive level, SES, or supergrade (GS-16 or equivalent and above) employee, you are a “senior employee” and must file public Financial Disclosure Reports.

(2) Otherwise, if you serve as either a program officer, a directorate administrative official, a grants officer, a contracts officer, an auditor, or a lawyer, you must file confidential Statements of Employment and Financial Interest.

(3) If you fit neither of these categories, no general financial disclosure is required of you.

(4) If you are required to file Financial Disclosure Reports or Statements of Employment and Financial Interests, the Foundation will supply the necessary forms. You may ask for them when you need them, but normally they will be sent to you automatically, with instructions.

(e) *Acts affecting your financial interests.* (§683.20) You must not be personally involved as a Federal employee in the handling of any matter in which you, a member of your immediate family, a business partner, or an organization of which you are or may become a part has a financial interest.

(f) *Outside employment, compensation, gifts, etc.* These rules are too numerous to summarize but they are not difficult to use. Refer to the referenced sections whenever you contemplate any of the following:

(1) Outside employment and income (§683.30);

(2) Compensation from private sources (§683.31);

(3) Honoraria (§683.32);

(4) Reimbursement of expenses or receipt of meals, lodging, or travel tickets from private sources (§683.33);

(5) Use of inside Government information in connection with speeches, articles, or other private activities (§683.34);

(6) Participation in an NSF-supported conference or workshop (§683.35); or

(7) Receipt of a gift, favor, loan, prize, or award (§683.36).

(g) *Political activity (Hatch Act).* (§§683.40 through 683.45)

(1) You may not run for public or party office, except in nonpartisan elections and certain local elections.

(2) You may not participate in election campaigning, except in nonpartisan elections and certain local elections.

(3) You may not take an active part in leading or managing a political party.

(4) You must not use your official authority or influence for political purposes.

#### **§680.12 Underlying purposes and considerations.**

(a) *Conflicts sensitivity.* This section outlines the primary sources of conflicts of interests and explains other considerations that underlie the conflicts rules. If you are sensitive to those considerations and identify situations in which someone might at least think that you have a conflict of interests, you will not be likely to violate the conflict-of-interests rules. When you do identify such a situation, of course, you can and should consult these regulations.

(b) *Effect of conflicts of interests.* There are two principal reasons why you and the NSF should avoid or minimize actual or apparent conflicts of interests.

(1) The success of the NSF in performing its scientific and other functions depends on the effectiveness of its proposal review process in ensuring that the best and most important work is supported. If judgments are warped because of conflicting interests, that effectiveness is compromised. The same is true of other NSF decision processes.

(2) The NSF must earn the confidence of the scientific community, the Congress, and the general public in the integrity, effectiveness, and evenhandedness of its proposal-review and other decision processes. It will not do so if the processes are seen to be compromised by conflicts of interests.

(c) *What is a conflict of interests?* A conflict of interests is a clash between an official's concern for the public interest and his or her private interests or allegiances. There are three primary sources: (1) Personal interests; (2) outside affiliations or relationships; and (3) gifts or favors. The examples that follow deliberately present situations that are not clear cut and do *not* illustrate specific rules you must follow. The pertinent rules appear elsewhere in these regulations.

(1) You might use your government position to further your *personal interests*, in conflict with the public interest.

*Example:* If as an NSF program official you recommended a conference of scientists in your field to discuss current issues, then chaired the conference yourself and delivered the principal paper, at least a inference suspicion would arise that you had used your Government position to further your own professional prestige or other personal interests.

(2) *Outside affiliations or relationships* could affect the objectivity of your judgments as a public official.

*Example:* A proposal comes to you for handling. You received your degree from the applicant institution and were a professor there until recently. The proposed principal investigator is your cousin. You have potential conflicts of interests arising from both your academic affiliation and your family relationship.

(3) *Gifts or favors* from those interested in agency decisions could affect the objectivity or integrity of your contribution to those decisions.

*Example:* The chairman of a university department that regularly sends proposals to your unit is in town. After a late afternoon meeting he proposes dinner at a restaurant on his expense account. Acceptance of the dinner would create a potential conflict between your debt of gratitude towards him and your disinterested pursuit of the public interest.

(d) *Inside access and influence.* A special concern that underlies many of the conflicts rules is that your insider's access to other Federal officials and your inside influence with them might allow you to sway their decisions or actions where you or those with whom you have ties are interested.

*Example:* A personal friend is principal investigator on a proposal pending in another part of your NSF unit. He asks you to check how things are going with that proposal. You talk with the program officer and division director handling the proposal. You not only check the status of the review, but mention what a fine scientist your friend is and how excellent his recent work has been. Your friendship with the investigator may influence your judgment on these points, and your inside influence may affect the actions and judgments of those with whom you talk. This creates a potential conflict between your private allegiance to your friend and the public interest.

(e) *Conflicts that require prohibition or disqualification.* Some conflicts of interests would so warp the performance of a Government agency or damage its credibility that they simply cannot be allowed to occur. (If a proposal from a member of your family or from your home institution comes into your program, for instance, you would clearly have to disqualify yourself from handling it.) Most Federal conflict-of-interests laws and a few conflicts rules special to the NSF deal with conflicts or potential conflicts of this sort. They therefore either flatly prohibit you from doing certain things that could give rise to such conflicts or disqualify you from participating in matters where you would have a potentially serious conflict.

(f) *Other conflicts.* By no means all conflicts of interests are so serious and clear that flat prohibitions or disqualifications are appropriate. Many conflicts, though real, are subtle, even remote. The seriousness of others so depends on circumstances of the particular case that unvarying rules would be impractical. There are also countervailing considerations. When we flatly prohibit Federal employees from doing things others who are not Federal employees are free to do, we tend to make Federal employment unattractive and so reduce the competence of Government. Also, disqualifying officials from